

VERNER · LIIPFERT  
BERNHARD · McPHERSON & HAND  
CHARTERED

ORIGINAL

901 - 15TH STREET, N.W.  
WASHINGTON, D.C. 20005-2301  
(202) 371-6000  
FAX: (202) 371-6279

WRITER'S DIRECT DIAL  
(202) 371-6060

RECEIVED

January 10, 1997

JAN 10 1997

Mr. William F. Caton  
Acting Secretary  
Federal Communications Commission  
Room 222  
1919 M Street, N.W.  
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

DOCKET FILE COPY ORIGINAL

Re: Reply Comments of Orion Atlantic in CC Docket Number 96-45

Dear Mr. Caton:

Enclosed please find an original and four (4) copies of the Reply Comments of Orion Atlantic in the above-captioned docket. One copy of the Reply Comments have also been sent to International Transcription Service.

Please direct any questions that you may have to the undersigned.

Sincerely,



Thomas J. Keller

Enclosures

No. of Copies rec'd  
List ABCDE

24

ORIGINAL

RECEIVED

JAN 10 1997

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of

Federal-State Joint Board on  
Universal Service

)  
) CC Docket No. 96-45  
)  
)  
)

**REPLY COMMENTS OF ORION ATLANTIC**

Thomas J. Keller, Esq.  
Kathy D. Smith, Esq.  
Verner, Lipfert, Bernhard,  
McPherson & Hand, Chtd.  
901 - 15th Street, N.W.  
Suite 700  
Washington, D.C. 20005  
(202) 371-6000

Richard H. Shay, Esq.  
April McClain-Delaney, Esq.  
Orion Network Systems, Inc.  
2440 Research Boulevard  
Suite 400  
Rockville, Maryland 20850  
(301) 258-3200

Its Attorneys

January 10, 1997

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

RECEIVED

JAN 10 1997

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of )  
 ) CC Docket No. 96-45  
Federal-State Joint Board on )  
Universal Service )  
 )

**REPLY COMMENTS OF ORION ATLANTIC**

International Private Satellite Partners, L.P. ("Orion Atlantic") by its attorneys and pursuant to Section 1.429 of the Commission's Rules,<sup>1/</sup> respectfully submits these reply comments in response to comments submitted by PanAmSat, and DIRECTV, Inc., and Hughes Communications Galaxy, Inc. ("Hughes"), and COMSAT Corporation ("COMSAT") regarding the Recommended Decision (released November 8, 1996) in the above-captioned proceeding.

Orion Atlantic strongly agrees with the comments of PanAmSat and Hughes that satellite operators providing service on a private, non-common carrier basis are not "telecommunications carriers" within the meaning of the Telecommunications Act of 1996, and thus, are not subject to the mandatory contribution requirement of Section 254(d) of the Telecommunications Act of 1996.<sup>2/</sup> Orion Atlantic also agrees with PanAmSat and COMSAT that satellite operators providing international service with only incidental contacts with the United States are not providing "interstate" telecommunications within the meaning of universal service provisions of the Act.<sup>3/</sup>

---

1/ 47 C.F.R. §1.429 (1995).

2/ See PanAmSat Comments at 4-6; Hughes Comments at 2-4.

3/ See PanAmSat Comments at 3-4; COMSAT Comments at 2-4.

Finally, Orion agrees with PanAmSat and Hughes that it would be fundamentally inequitable to require private satellite carriers that do not serve the domestic telecommunications market to contribute to universal service mechanisms that would benefit only that market.<sup>4/</sup>

Conclusion

For the foregoing reasons, Orion Atlantic urges the Commission to adopt rules that do not require separate systems to make mandatory contributions to universal service mechanisms.

Respectfully submitted,

INTERNATIONAL PRIVATE SATELLITE  
PARTNERS, L.P. d/b/a/ ORION ATLANTIC

By:   
Thomas J. Keller, Esq.  
Kathy D. Smith, Esq.

Verner, Liipfert, Bernhard,  
McPherson & Hand, Chtd.  
901 - 15th Street, N.W.  
Suite 700  
Washington, D.C. 20005  
(202) 371-6000

Richard H. Shay, Esq.  
April McClain-Delaney, Esq.  
Orion Network Systems, Inc.  
2440 Research Boulevard  
Suite 400  
Rockville, Maryland 20850  
(301) 258-3200

Its Attorneys

Dated: January 10, 1997

---

<sup>4/</sup> See PanAmSat Comments at 4; Hughes Comments at 6.

## **CERTIFICATE OF SERVICE**

I, Renee K. Kernan, a secretary with the law firm of Verner, Lipfert, Bernhard, McPherson and Hand, hereby certify that on this 10th day of January, 1997, a copy of the Reply Comments of Orion Atlantic was mailed, first-class, postage prepaid to:

The Honorable Reed E. Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, N.W., Room 814  
Washington, DC 20554

The Honorable Rachelle B. Chong  
Commissioner  
Federal Communications Commission  
1919 M Street, N.W., Room 844  
Washington, DC 20554

The Honorable Susan Ness  
Commissioner  
Federal Communications Commission  
1919 M Street, N.W., Room 832  
Washington, DC 20554

The Honorable Julia Johnson  
Commissioner  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Gerald Gunter Building  
Tallahassee, FL 32399-0850

The Honorable Kenneth McClure  
Commissioner  
Missouri Public Service Commission  
301 W. High Street, Suite 530  
Jefferson City, MO 65101

The Honorable Sharon L. Nelson  
Chairman  
Washington Utilities and  
Transportation Commission  
P.O. Box 47250  
Olympia, WA 98504-7250

The Honorable Laska Schoenfelder  
Commissioner  
South Dakota Public Utilities  
Commission  
State Capitol, 500 E. Capitol St.  
Pierre, SD 57501-5070

Martha S. Hogerty  
Public Counsel for the State of Missouri  
P.O. Box 7800  
Jefferson City, MO 65102

Paul E. Pederson  
State Staff Chair  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102

Lisa Boehley  
Federal Communications Commission  
2100 M Street, N.W., Room 8605  
Washington, DC 20554

Charles Bolle  
South Dakota Public Utilities  
Commission  
State Capitol, 500 E. Capitol St.  
Pierre, SD 57501-5070

Deonne Bruning  
Nebraska Public Service Commission  
300 The Atrium  
P.O. Box 94927  
Lincoln, NE 68509-4927

James Casserly  
Federal Communications Commission  
Office of Commissioner Ness  
1919 M Street, Room 832  
Washington, DC 20554

John Clark  
Federal Communications Commission  
2100 M Street, N.W., Room 8619  
Washington, DC 20554

Bryan Clopton  
Federal Communications Commission  
2100 M Street, N.W., Room 8615  
Washington, DC 20554

Irene Flannery  
Federal Communications Commission  
2100 M Street, N.W., Room 8922  
Washington, DC 20554

Daniel Gonzalez  
Federal Communications Commission  
Office of Commissioner Chong  
1919 M Street, N.W., Room 844  
Washington, DC 20554

Emily Hoffnar  
Federal Communications Commission  
2100 M Street, N.W., Room 8623  
Washington, DC 20554

L. Charles Keller  
Federal Communications Commission  
2100 M Street, N.W., Room 8918  
Washington, DC 20554

Lori Kenyon  
Alaska Public Utilities Commission  
1016 West Sixth Avenue, Suite 400  
Anchorage, AK 99501

David Krech  
Federal Communications Commission  
2025 M Street, N.W., Room 7130  
Washington, DC 20554

Debra M. Kriete  
Pennsylvania Public Utilities  
Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Diane Law  
Federal Communications Commission  
2100 M Street, N.W., Room 8920  
Washington, DC 20554

Mark Long  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Gerald Gunter Building  
Tallahassee, FL 32399

Robert Loube  
Federal Communications Commission  
2100 M Street, N.W., Room 8914  
Washington, DC 20554

Samuel Loudenslager  
Arkansas Public Service Commission  
P.O. Box 400  
Little Rock, AR 72203-0400

Sandra Makeeff  
Iowa Utilities Board  
Lucas State Office Building  
Des Moines, IA 50319

Philip F. McClelland  
Pennsylvania Office of Consumer  
Advocate  
1425 Strawberry Square  
Harrisburg, PA 17120

Michael A. McRae  
D.C. Office of the People's  
Counsel  
1133 - 15th Street, N.W., Suite 500  
Washington, DC 20005

Tejal Mehta  
Federal Communications Commission  
2100 M Street, N.W., Room 8625  
Washington, DC 20554

Terry Monroe  
New York Public Service Commission  
3 Empire Plaza  
Albany, NY 12223

John Morabito  
Deputy Division Chief  
Accounting and Audits  
Federal Communications Commission  
2000 L Street, N.W., Suite 812  
Washington, DC 20554

Mark Nadel  
Federal Communications Commission  
2100 M Street, N.W., Room 8916  
Washington, DC 20554

John Nakahata  
Federal Communications Commission  
Office of the Chairman  
1919 M Street, N.W., Room 814  
Washington, DC 20554

Lee Palagyi  
Washington Utilities and  
Transportation Commission  
1300 S. Evergreen Park Drive, S.W.  
Olympia, WA 98504

Kimberly Parker  
Federal Communications Commission  
2100 M Street, N.W., Room 8609  
Washington, DC 20554

Barry Payne  
Indiana Office of the Consumer Counsel  
100 North Senate Ave., Room N501  
Indianapolis, IN 46204-2208

Jeanine Poltronieri  
Federal Communications Commission  
2100 M Street, N.W., Room 8924  
Washington, DC 20554

James Bradford Ramsay  
National Association of Regulatory  
Utility Commissioners  
P.O. Box 684  
Washington, DC 20044-0684


Brian Roberts  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

Gary Seigel  
Federal Communications Commission  
2000 L Street, N.W., Suite 812  
Washington, DC 20554

Richard Smith  
Federal Communications Commission  
2100 M Street, N.W., Room 8605  
Washington, DC 20554

Pamela Szymczak  
Federal Communications Commission  
2100 M Street, N.W., Room 8912  
Washington, D.C. 20554

Lori Wright  
Federal Communications Commission  
2100 M Street, N.W., Room 8603  
Washington, D.C. 20554

  
Renee K. Kernan